Registration No: 201501014899 (1140231 - U)

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.

(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 MARCH 2021

GRANT THORNTON MALAYSIA PLT
CHARTERED ACCOUNTANTS
Member of Grant Thornton International Ltd

Registration No: 201501014899 (1140231 - U)

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.

(Incorporated in Malaysia)

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Directors' report

The director have pleasure in submitting their report and the audited financial statements for the financial year ended 31 Mar, 2021.

Directors

The directors in office during the financials year and during the period from the end of the financial year to the date of the report are;

NIRAV PRIYAKANT KHATRI

CHHATRA SINGH NAHATA

NARAYANAN A/L RAMAN

MOHD. FARHAN BIN MOHAMMED RADZI

Principal Activity

The principal activity of the company during the year consisted of Oracle Cloud implementation and consultancy to cater to the needs of a market which demands high-quality, future-proof solutions. Otherwise, no significant changes in the company's state of affairs occurred during the year

Financial results;

Profit after tax representing total comprehensive profit attributable to:
Owners for the Company – RM 201,249

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Issue of shares and debentures

The company did not issue any shares or debentures during the financial year.

Directors' benefits

Neither at the end of the financial year, not at any time during the year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of the shares in, or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or by a related corporation with the Directors or with a firm of which he is a member, or with a Company in which he has substantial financial interest.

Directors' remuneration

There were no Directors' remuneration paid or payable during the financial year.

Indemnifying Directors and Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been Director or Officer.

Directors' interests in shares or debentures

According to the Register of Directors' shareholdings required to be kept under section 59 of the Companies Act, 2016, particulars of interest in shares or debentures of the Company by the Directors who held office at the end of the financial year are as follows;

	Number of ordinary shares			
	As at 01/04/2020	Bought	Sold	As At 31/03/2021
Shares in the Company Registered in the name of the Directors				
NIRAV PRIYAKANT KHATRI	---	----	---	----
CHHATRA SINGH NAHATA	---	----	---	----
NARAYANAN A/L RAMAN	---	----	---	----
MOHD. FARHAN BIN MOHAMMED RADZI	---	---	---	----

Dividends

No dividend has been paid or declared by the Company since the end of previous financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Other statutory information

a) There were neither receivables nor any significant current assets at statement of financial position date, accordingly there is no necessity for the Directors to consider their estimate realisable value.

b) At the date of this report, the Directors are not aware of any circumstances;

  (i) Which would render the values attributed to current assets in the financial statements of the Company misleading, or

  (ii) Which have arisen which render adherence to the existing method of valuation of assets or liabilities of the company misleading or inappropriate.

c) At the date of this report, there does not exit;

  (i) Any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person, or

(ii) Any contingent liability of the Company which has arisen since the end of the financial year.

d) No Contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Director, will or may substantially affect the ability of the Company to meet its obligation as and when they fall due.

e) At the date of the report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

f) In the opinion of the Directors;

(i) The results of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

Auditors' remuneration

Details of auditor's remuneration are set out in Note 12 to the financial statements

Ultimate holding companies

The immediate holding company of the company is Evolutionary Systems (Singapore) Pte. Ltd., a private company registered and domiciled in Singapore. The ultimate holding company of the company is Evolutionary Systems Private Limited, a private limited company registered and domiciled in India.

This report was approved by the Board of Directors on 3 0 SEP 2021 signed on behalf of the Board of directors

Nirav Khatri
Director

Chhatra Singh Nahata
Director

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.

201501014899 (1140231-U)
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Statement by Directors

Pursuant to Section 251(2) of the Companies Act, 2016.

We, Nirav P Khatri and Chhatra Singh Nahata, being two of the directors of Evosys Consultancy Services Malaysia Sdn. Bhd., do hereby state that, in the opinion of the Directors, the accompanying financial position of the Company as at 31 Mar 2021 and financial performance of the company for the financial year ended 31 Mar 2021 in accordance with Malaysian Private Entities reporting standard and the requirements of Companies Act, 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors Dated 30 SEP 2021

N. P.

Nirav Khatri	Chhatra Singh Nahata
Director	Director

ATTESTED PHOTOCOPY

JAGRUTI R. ACHARYA
NOTARY
GOVT. OF GUJARAT

NOTARY
JAGRUTI R. ACHARYA
Ahmedabad
Gujarat State
Regd No.
983/09
GOVERNMENT OF GUJARAT

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.

201501014899 (1140231-U)
(Incorporated in Malaysia)

Statutory Declaration

Pursuant to section 251(1) of the Companies Act, 2016

I, Nirav P Khatri, the Director primarily responsible for the financial management of Evosys Consultancy Services (Malaysia) Sdn. Bhd., do solemnly and sincerely declare that, the financial statements set out on pages 11 to 27 are the best of my knowledge and belief correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provision of the Statutory Declarations Act, 1960.

N. P. Khatri

NIRAV P KHATRI

Subscribed and solemnly declared by the above named at Ahmedabad in the state of Gujarat, India on 30 SEP 2021

Before me,

ATTESTED PHOTOCOPY

JAGRUTI R. ACHARYA
NOTARY
GOVT. OF GUJARAT

NOTARY JAGRUTI R. ACHARYA Ahmedabad Gujarat State Regd. No. 983/09 GOVERNMENT OF GUJARAT

Grant Thornton

INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF

Grant Thornton Malaysia PLT
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

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EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)
Registration No: 201501014899 (114023 - U)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Evosys Consultancy Services (Malaysia) Sdn. Bhd., which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 27.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that gives a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit is in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

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Other Matter

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

KISHAN NARENDRA JASANI
(NO: 03223/12/2021(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
30 September 2021

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.
201501014899 (114023-U) (Incorporated in Malaysia)
STATEMENT OF FINANCIAL POSITION

In RM

	Note no.	As at 31 March 2021	As at 31 March 2020
ASSETS			
Current assets			
Accounts and other receivables	6	578,472	-
Cash and bank balances	7	924,340	4,838
Total current assets		**1,502,812**	**4,838**
Total assets		**1,502,812**	**4,838**
EQUITY AND LIABILITIES			
Equity			
Share capital	8	5,000	5,000
Accumulated losses		153,273	(47,976)
Equity attributable to oweners of the Company		**158,273**	**(42,976)**
Total equity		**158,273**	**(42,976)**
Current liabilities			
Other payable and accrued liabilities	9	1,280,985	47,812
Current tax liabilities		63,554	2
Total current liabilities		**1,344,539**	**47,814**
Total equity and liabilities		**1,502,812**	**4,838**

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.

201501014899 (114023-U) (Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME

In RM

	Note no.	Year ended 31 March 2021	Year ended 31 March 2020
INCOME			
Revenues	**4.5**	1,434,373	-
Cost of revenues	**10**	(1,153,117)	-
Gross profit		**281,256**	**-**
Other operating income	**11**	-	10
		281,256	10
EXPENSES			
Other operating expenses	**12**	(16,455)	(23,278)
		(16,455)	**(23,278)**
Profit/(loss) before tax		264,801	(23,268)
Tax	**13**	(63,552)	(2)
Total comprehensive income /(losses) for the year attributable to:		201,249	(23,270)
Owner of the Company			

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

In RM

	Share capital	Accumulated losses	Total
Balance as at 1 April 2019	**5,000**	**(24,706)**	**(19,706)**
Total comprehensive loss for the year	-	(23,270)	(23,270)
Balance as at 31 March 2020	**5,000**	**(47,976)**	**(42,976)**
Total comprehensive income for the year	-	201,249	201,249
Balance as at 31 March 2021	**5,000**	**153,273**	**158,273**

EVOSYS CONSULTANCY SERVICES (MALAYSIA) SDN. BHD.
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STATEMENT OF CASH FLOWS

In RM

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flows from operating activities		
Profit/(Loss) before tax	264,801	(23,268)
Adjustment for:		
Interest income	-	(10)
Cash flows from/(used in) operating activities before working capital changes	264,801	(23,278)
Changes in accounts and other receivable	(578,472)	-
Changes in Non trade payable and accruals	1,233,173	23,278
Cash flows genereated from operating activities	**919,502**	**-**
Interest income	-	10
Net cash flows generated from operating activities	**919,502**	**10**
Net changes in cash and cash equivalents	919,502	10
Cash and cash equivalents at the beginning of the year	4,838	4,828
Cash and cash equivalents at the end of the year	**924,340**	**4,838**

Cash and cash equivalents included in the statement of cash flows comprise the following:		
Bank balance	924,340	**4,838**

Notes to the financial statements for the year ended 31 March 2021

1 Corporate information

The Company is a private company, incorporated and domiciled in Malaysia. The Company was incorporated on 14 April 2015.

The Company's registered office is located at:
Registered office:
Suite B-01-06, Dataran 3 Two,
No. 2, Jalan 19/1, 46300 Petaling Jaya, Selangor.

The financial statements of the Company are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors on 30 September 2021

2. Compliance with Financial Reporting Standards and the Companies Act, 2016

The financial statements of the Company have been prepared in compliance with Malaysian Private Entities Reporting Standard (MPERS) issued by the Malaysian Accounting Standards Board (MASB) and the provisions of the Malaysian Companies Act, 2016.

3. Basis of preparation

The financial statements of the Company have been prepared using historical cost basis.

Management has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving estimation uncertainties are disclosed in Note 5.

4. Significant accounting policies

4.1 Share capital and distributions

(a) Share capital

Ordinary shares and non-redeemable preference share issued that carry no put option and no mandatory contractual obligation:

(i) to deliver cash or another financial asset; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company, are classified as equity instruments.

4. **Significant accounting policies (cont'd)**

4.1 Share capital and distributions (cont'd)

(a) Share capital (cont'd)

When ordinary shares and other equity instruments are issued in a private placement or in a rights issue to existing shareholders, they are recorded at the issue price. For ordinary shares issued in exchange for non-monetary assets, they are measured by reference to the fair values of the assets received.

When ordinary shares and other equity instruments are issued as consideration transferred in a business combination or as settlement of an existing financial liability, they are measured at their fair value at the date of exchange transaction.

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax effect.

(b) Distributions

Distributions to holder of an equity instrument are recognised as equity transactions and are debited directly in equity, net of any related income tax effect.

A dividend declared is recognised as a liability only after it has been appropriately authorised, which is the date when the Board of Directors declares an interim dividend, or in the case of a proposed final dividend, the date the shareholders of the Company approve the proposed final dividend in an annual general meeting of shareholders. For a distribution of non-cash assets to owners, the Company measures the dividend payable at the fair value of the assets to be distributed.

4.2 Financial instruments

a) Initial recognition and measurement

The Company recognises a financial asset or a financial liability (including derivative instruments) in the statement of financial position when, and only when, and entity in the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expenses to profit or loss when incurred.

4. Significant accounting policies (cont'd)

4.2 Financial instruments (cont'd)

b) Derecognition of financial instruments

For derecognition purposes, the Company first determines whether a financial asset or a financial liability should be derecog-nised in its entirety as a single item or derecognised part-by-part of a single item or of a group of similar items.

A financial asset, whether as a single item or as a part, is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Company acts only as collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Company considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate differs by 10% or more when compared with the carrying amount of the original liability.

c) Subsequent measurement of financial assets

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely:

(i) financial assets at fair value through profit or loss; and
(ii) financial assets at amortised cost.

After initial recognition, the Company measures investments in quoted ordinary shares, preference shares and derivatives that are assets at their fair values by reference to the active market prices, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur on sale or other disposal.

Investments in debt instruments, whether quoted or unquoted, are subsequently measured at amortised cost using the effective interest method. Investments in unquoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 4.2 (g).

4. Significant accounting policies (cont'd)

4.2 Financial instruments (cont'd)

d) Subsequent measurement of financial liabilities

After initial recognition, the Company measures all financial liabilities at amortised cost using the effective interest method, except for derivatives instruments that are liabilities, which are measured at fair value.

e) Fair value measurement of financial instruments

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique using reasonable and supportable assumptions.

f) Recognition of gains and losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

g) Impairment and uncollectibility of financial assets

The Company applies the incurred loss model to recognise impairment losses of financial assets. At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset is impaired. Evidences of trigger loss events include:

(i) significant difficulty of the issuer or obligor;
(ii) a breach of contract, such as a default or delinquency in interest or principal payment;
(iii) granting exceptional concession to a customer;
(iv) it is probable that a customer will enter bankruptcy or other financial reorganisation;
(v) the disappearance of an active market for that financial asset because of financial difficulties; or
(vi) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

4. Significant accounting policies (cont'd)

4.2 Financial instruments (cont'd)

g) Impairment and uncollectibility of financial assets (cont'd)

For a non-current loan and receivable carried at amortised cost, the revised estimated cash flows are discounted at the original effective interest rate. Any impairment loss is recognised in profit and loss and a corresponding amount is recorded in a loss allowance account. Any subsequent reversal of impairment loss of the financial asset is reversed in profit or loss with a corresponding adjustment to the allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset exceeding the amount that would have been determined had no impairment loss been recognised previously.

For short term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Company's experiences of loss ratio in each class, taking into consideration current market conditions.

For an unquoted equity investment measured at cost less impairment, the impairment is the difference between the asset's carrying amount and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the Company expects to receive for the asset if it were sold at the reporting date. The Company may estimate the recoverable amount using an adjusted net asset value approach.

4.3 Tax assets and tax liabilities

Taxes payable are determined by the Company. A current tax for current and prior periods, to the extent unpaid, is recognised as a current tax liability. If the amount already paid in respect of current and prior periods exceed the amount due for those periods, the excess is recognised as a current tax asset. A current tax liability (asset) is measured at the amount the Company expects to pay (recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (or tax loss). The exceptions for initial recognition differences include items of property, plant and equipment that do not qualify for capital allowances and acquired intangible assets that are not deductible for tax purposes.

4. Significant accounting policies (cont'd)

4.3 Tax assets and tax liabilities (cont'd)

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor tax payable profit (or loss). The exceptions for the initial recognition differences include non-taxable government grants received and reinvestment allowances and investment tax allowances on qualifying property, plant and equipment.

A deferred tax asset is recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflects the tax consequences that would follow from the manner in which an entity in the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities. For an investment property measured at fair value, the Company does not have a business model to hold the property solely for rental income, and hence, the deferred tax liability on the fair value gain is measured based on the presumption that the property is recovered through sale at the end of the reporting period.

At the end of each reporting period, the carrying amount of a deferred tax asset is reviewed, and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of a part or all of that deferred tax asset to be utilised. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

A current or deferred tax is recognised as income or expense in profit or loss for the period, except to the extent that the tax arises from items recognised outside profit or loss. For items recognised directly in equity, the related tax effect is also recognised directly in equity.

4.4 Provisions

The Company recognises a liability as a provision if the outflows required to settle the liability are uncertain in timing or amount.

A provision for warranty costs, restoration costs, restructuring costs, onerous contracts or lawsuit claim is recognised when the Company has a present legal or constructive obligation as a result of a past event, and of which the outflows of resources on settlement are probable and a reliable estimate of the amount can be made. No provision is recognised if these conditions are not met.

Any reimbursement attributable to a recognised provision from a counter-party (such as an insurer) is not off-set against the provision but recognised separately as an asset when, and only when, the reimbursement is virtually certain.

4. Significant accounting policies (cont'd)

4.4 Provisions (cont'd)

A provision is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. For a warranty provision, a probability-weighted expected outcome of the resources required to settle the obligation is applied, taking into account the Company experiences of similar transactions and supplemented with current facts and circumstances. For a restoration provision, where a single obligation is being measured, the Company uses the individual most likely outcome as the best estimate of the liability by reference to current prices that contractors would charge to undertake such obligations, and taking into account likely future events that may affect the amount required to settle an obligation. For an onerous contract, a provision is measured based on the amount by which costs to fulfil the contract exceed the benefits. For a lawsuit provision, a probability-weighted expected outcome is applied in the measurement, taking into account past court judgements made in similar cases and advice of legal experts.

A provision is measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects the time value of money and the risk that the actual outcome might differ from the estimate made. The unwinding of the discount is recognised as an interest expense.

4.5 Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Rendering of services

Revenue represents the amounts received and receivable from software development and consultancy rendered by the Company to customers, which is recognised over time.

5. Critical judgements and estimation uncertainty

The preparation of the financial statements in conformity with MPERS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

Impairment of receivables

The Company makes impairment of receivables based on the assessment of the recoverability of receivables. Impairment is applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyses historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of impairment of receivables. Where expectation differ from the original estimates, the differences would impact the carrying amount of receivables.

Income taxes and deferred tax

Significant judgement is involved in determining the Company's provision for income taxes. There are certain transaction and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

6 Accounts and other receivables

	As at 31 March 2021	As at 31 March 2020
Accounts receivable	578,472	-
	578,472	**-**

7 Cash and bank balances

	As at 31 March 2021	As at 31 March 2020
In current account	924,340	4,838
	924,340	**4,838**

8 Share capital

	As at 31 March 2021	As at 31 March 2020
Authorised, issued and paid up capital		
5000 shares (Previous year : 5000) of RM 1/- each	5,000	5,000
	5,000	**5,000**

9 Other payable and accrued liabilities

	As at 31 March 2021	As at 31 March 2020
Accrued liabilities	30,601	5,700
Duties and taxes	56,201	-
Amount due to holding company	1,134,216	42,112
Amount due to ultimate holding company	59,967	-
	1,280,985	**47,812**

10 Cost of revenues

	Year ended 31	Year ended 31
Professional fees	1,153,117	-
	1,153,117	**-**

11 Other operating income

	Year ended 31 March 2021	Year ended 31 March 2020
Interest income	-	10
	-	**10**

12 General and administration expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Membership expenses	2,149	-
Bank charges	40	-
Auditor's remuneration	13,630	1,000
Professional fees	636	22,278
	16,455	**23,278**

13 Taxation

	Year ended 31 March 2021	Year ended 31 March 2020
Tax charge for the year is as follows:		
Current income tax expense: Tax payable in Malaysia	63,552	2
	63,552	**2**

The significant differences between the tax expense and accounting loss multiplied by the statutory tax rate are due to the tax effects arising from the following items:

	Year ended 31 March 2021	Year ended 31 March 2020
Income/ (loss) before tax	264,801	(23,268)
Tax at statutory income tax rate	63,552	(3,956)
Tax effect of expenses disallowed for income tax purposes	-	3,958
	63,552	**2**

Movement of Provision for Tax

	Year ended 31 March 2021	Year ended 31 March 2020
Opening Balance	2	-
Provision for the year	63,552	2
Closing Balance	**63,554**	2

13 Taxation (cont'd)

Subject to agreement of the Inland Revenue Board, the Company has the following available for set-off against future taxable income.

	Year ended 31 March 2021	Year ended 31 March 2020
Unabsorbed tax losses	3,173	3,173

From year of assessment 2019 onwards, the unused tax losses will be allowed to be carried forward for a maximum period of 7 consecutive years of assessment. However, the availability of unused tax losses and capital allowances for offsetting against future taxable profits are subjected to no substantial changes in shareholdings of the Company under the Income Tax Act 1967 and guidelines issued by the tax authority.

14 Reserves

The Company's policy is to treat all gains and losses that pass through the statement of comprehensive income (i.e. non-owner transactions or events) as revenue reserves. Other than retained profits, all other revenue reserves are regarded as non-distributable in the form of cash dividends to shareholders.

15 Related party disclosures

Name of related parties	Nature of relationship
Mastek India	Ultimate Holding Company
Evolutionary Systems Singapore Pte Ltd	Holding Company

Transaction with above related parties during the year were:-

		Year ended	
Name of Related Parties	**Nature of transactions**	**31 March 2021**	**31 March 2020**
Mastek India	Services Purchased	59,967	-
Evolutionary Systems Singapore Pte Ltd	Loan taken and services purchased	916,020	22,278

Balances with related parties outstanding are as follows:-

		As at	
Name of Related Parties	**Nature of transactions**	**31 March 2021**	**31 March 2020**
Mastek India	Services Purchased	59,967	-
Evolutionary Systems Singapore Pte Ltd	Loan taken and services purchased	1,134,216	42,112

16 Financial insturments and risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's management oversees the management of these risk and formulates the policies, the Board of Directors reviews and approves policies for managing each of these risks, which are summarised below:

Market risk: Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as exchange rate risk, interest rate risk or other price risk, which will affect the company's income or the value of its holding of financial instruments.

Interest rate risk:

In absence of any bank borrowings, interest rate is minimum.

Exchange rate risk:

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in RM.

Credit Risk: Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The company is exposed to credit risk on its cash and bank balances and Accounts receivables.

Cash at bank: The company's bank balance in a current account is placed with a high credit quality financial institutio

Liquidity Risk: Liquidity risk is the risk that the company will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the owners and the management who ensure that sufficient funds are made available to the company to meet any future commitments.

Global stress in the markets brought by the COVID-19 crisis is being felt globally through lack of liquidity in foreign funding markets. In this environment, the Company has already taken measures to manage its liquidity carefully until the crisis is over. The company's management has been closely monitoring the cash flows and forecasts on a weekly basis to maintain a reasonably healthy balance sheet during this time and beyond.

The liquidity position of the Company is given below:

	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents	924,340	4,838
Total	**924,340**	**4,838**

Fair value of instruments

The fair value of the companies' financial assets comprising of accounts and other receivables, prepayments and bank balance and financial liabilities comprising of accounts and other payables that approximate to their carrying values.

17 Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

18 Contingent liability

There was no contingent liability of a significant amount outstanding as at the reporting date.

19 Comparative figures

The comparative figures was audited by another firm of Chartered Accountants other than Grant Thornton Malaysia PLT. Certain comparative figures were reclassified to conform to current period's presentation.

20 Covid-19 assessment

On 11 March 2020, the World Health Organisation declared the Coronavirus ("COVID-19") outbreak as a pandemic in recognition of its rapid spread across the globe. On 16 March 2020, the Malaysian Government had imposed the Movement Control Order ("MCO") starting from 18 March 2020 to curb the spread of the COVID-19 outbreak in Malaysia. The COVID-19 outbreak also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 outbreak since early 2020 had brought significant economic uncertainties in Malaysia and markets in which the Company operates.

The Malaysian Government had re-introduced the MCO and Conditional MCO ("CMCO") in several states which are severely affected by the COVID-19 pandemic from 13 January 2021 to 11 May 2021, nationwide MCO from 12 May 2021 to 31 May 2021, Full MCO ("FMCO") from 1 June 2021 and Enhanced MCO ("EMCO") in several states from 3 July 2021 to 16 July 2021. Besides, the King declared state of emergency for the country until 1 August 2021 to curb the spread of COVID-19 on 12 January 2021.

The Company had assessed that its operation and financial position have not been significantly affected by the COVID-19 pandemic for the financial year ended 31 March 2021.

As at date of authorisation of the financial statements, the COVID-19 pandemic situation is still evolving and uncertain. The Company will continue to actively monitor and manage its funds and operations to minimise any impact arising from the COVID-19 pandemic.